

FISCAL NOTE

Bill #: SB0442

Title: Repeal POINTS replacement fee

Primary Sponsor: Cooney, M

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$0	\$0
Revenue:		
General Fund	\$2,623,970	\$3,144,202
State Special Revenue	(\$2,623,970)	(\$3,144,202)
Net Impact on General Fund Balance:	\$2,623,970	\$3,144,202

- | | |
|----------------------------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. SB 271, enacted by the 2003 Legislature, authorized the Department of Revenue to borrow \$17.0 million from the Board of Investments to replace the POINTS computer system and to deduct an administrative fee from collections of certain taxes to repay the loan.
2. Under current law, the Department of Revenue is expected to charge administrative fees of \$2,623,970 in FY 2006 and \$3,144,202 in FY 2007 against individual income tax collections (HJR2). These amounts will be deposited in a special revenue account and be used to cover loan payments.
3. This bill would repeal the administrative fee. This bill is void unless another bill passes which provides for full repayment of the loan. Repayment of the loan is included in the executive budget.
4. If the loan is repaid and this bill passes, the amounts allocated to loan repayment under current law would be deposited in the general fund.
5. This bill would have no administrative impacts on the Department of Revenue.

Fiscal Note Request SB0442, As Introduced
(continued)

FISCAL IMPACT:

	FY 2006 <u>Difference</u>	FY 2007 <u>Difference</u>
<u>Revenues:</u>		
General Fund (01)	\$2,623,970	\$3,144,202
State Special Revenue (02)	(\$2,623,970)	(\$3,144,202)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$2,623,970	\$3,144,202
State Special Revenue (02)	(\$2,623,970)	(\$3,144,202)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

None.